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Arbeitseinstellungen und Fortbildung des Arbeitsvertrags. Berichte von E. AUERBACH, W. LOTZ und F. ZAHN, im Auftrage des Vereins für Socialpolitik, herausgegeben und eingeleitet von L. BRENTANO. Schriften des Vereins für Socialpolitik XLV. Leipzig, Duncker und Humblot, 1890. — 8vo, lxxviii, 477 pp.

The forty-fifth publication of the *Verein für Socialpolitik* is especially remarkable for the reason that it is devoted to the very subject with the discussion of which this society began its successful career. It is the question of strikes and the development of the labor contract that was discussed at the constituting meeting at Eisenach, in 1872, with Professor Schmoller as the referee. From that time to the present day the reports and discussions of the society have closely followed the policy and legislation of the German Empire, and though the publications have been of a strictly scientific character, yet they have had an important practical influence on the social policy of the imperial government. This relation of science and politics has been most useful to each. It certainly gave a new stimulus to the men of science and taught them to respect the facts of the day, of which the Germans are so apt to lose sight. It imposed upon them a conservative restraint, without which they might have followed Rodbertus into the realms of Utopia. On the other hand, it is gratifying to those men who in 1872 proclaimed the social mission of the state in the face of an overwhelming opposition, to see that, supported by public opinion, the rulers of the empire are finally compelled to adopt their views and put them into practice.

This volume, the result of investigations made by the economic seminary of the University of Leipzig, under the direction of Professor Brentano, is dedicated to the *Altmeister* Wilhelm Roscher. It opens with an introduction by Brentano, and contains a history of organizations of laborers and their employers, arbitration and conciliation, sliding scales and other regulations concerning wages. These subjects are treated in three different articles. In the first Mr. Emil Auerbach describes the movement in the mining industry of Northumberland. The work contains much undigested but valuable material, unfortunately translated into German. The subject of the second article is the iron and steel industry of the north of England, admirably presented by Dr. Walther Lotz. The last article, by Mr. Friedrich Zahn, gives the history of the movement among the German printers. It is interesting and instructive, affording a good parallel to the English movement and showing some characteristic differences between the English and the German organizations.

Almost all the disputes referred to in this volume concern wages, and it is a principle acknowledged by both parties to the disputes that wages should follow the rise and fall of prices. The advantage of this principle

is obvious ; it unites employers and laborers by the same interest in the development of the industry. But the supreme difficulty is to attain a fair ratio between prices and wages. In industries which supply local demands, where profits are high, where an increase of the cost of production can be shifted to the consumer or shareholder, — in all industries which are natural monopolies, the ratio between wages and prices has successfully been settled by arbitration. In this case no practical difficulties present themselves. The umpire, who will necessarily be an outsider, can easily understand the technical part of the question, since it concerns unskilled labor ; and if only the organizations of both parties are powerful enough to make the decision binding on all concerned, arbitration will answer all purposes.

But the difficulties begin with those industries where, in fixing the price of the product, individualism stops short, — where the individual seller is not asked what price would be a just and necessary return for his outlay. In industries where the prices are the result of international competition and are affected by all the fluctuations of the world market, it is almost impossible to obtain a constant and just ratio between wages and prices. Here an unjust increase of wages often is fatal to the interests of the producer, and it is in these cases, where the need of arbitration is most urgent, that it has proved a failure. The umpire has to take into consideration the past, the present and the probable future condition of the market ; he has to be thoroughly familiar with all technicalities in the question, with the relations of the several classes of laborers to one another, with the strength of the organizations and all other circumstances, in order to give a verdict that will satisfy both parties and calm the irritation that led to the dispute. But an outsider who will fulfil all these conditions cannot be found, and one who belongs to the trade will always be suspected of partiality. In these industries, after sliding scales have also been tried without good results, conciliation is now generally preferred to arbitration. The most beneficial results of arbitration are that it has exercised a valuable educational influence on employers and laborers, and that it leads to higher principles of justice and equality with regard to the labor contract.

But all these remedies — arbitration, sliding scales and conciliation, — are merely palliatives. They do not destroy the germ of the disease. As long as the weight of international competition is not counterbalanced by compact and comprehensive national organizations of manufacturers and laborers, in order to keep the fluctuations of prices within certain limits, a fair adjustment of profits and wages will always remain an unattainable ideal, and the moral and material welfare of the laborer will lack a firm foundation.

L. KATZENSTEIN.